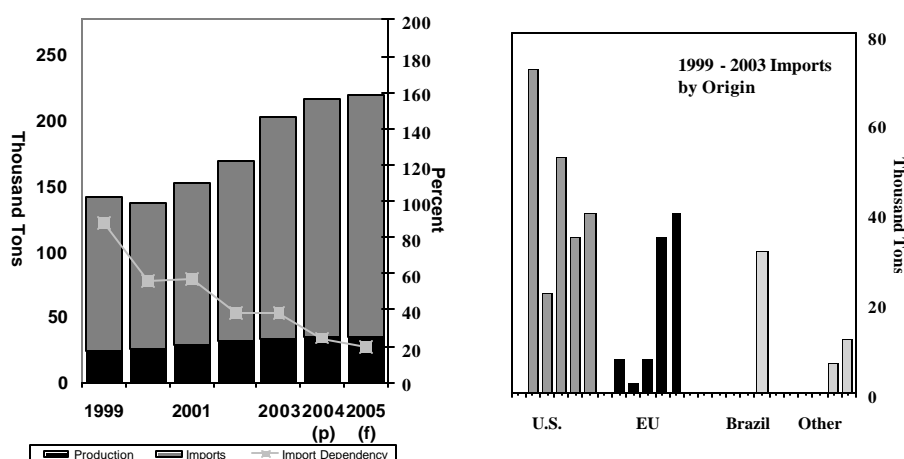


Ukraine's Broiler Situation

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (p) | 2005 (f) |
|--|------|------|------|------|------|------|----------|----------|
| (1,000 tons; ready to cook equivalent) | | | | | | | | |
| Production | 19 | 12 | 20 | 49 | 102 | 140 | 200 | 260 |
| Imports | 50 | 87 | 25 | 64 | 61 | 88 | 130 | 150 |
| Consumption | 70 | 82 | 60 | 124 | 187 | 223 | 344 | 405 |

Ukraine's Gains in Production Force Import Dependency Down



In 2005, Ukraine's broiler production is forecast at 260,000 tons, while broiler imports for 2005 are expected to increase to 150,000 tons. The United States was a major supplier of broiler parts (mostly leg quarters) before Ukraine imposed a ban on U.S. poultry in January 2002 over sanitary concerns. Once the ban was applied, Ukraine's broiler imports from the U.S. fell to a five-year low of 25,000 tons in 2002, valued at \$1 million. While broiler imports from the U.S. fell in 2002, imports from the EU soared to 34,000 tons. In 2003, Brazil exported 32,000 tons to Ukraine, which is expected to increase again in 2004.

Ukraine
BROILER IMPORTS
(in metric tons)

Whole Chickens

| Origin | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (YTD) |
|-----------------|--------------|--------------|--------------|------------|--------------|--------------|--------------|--------------|
| Brazil | 214 | 20 | 20 | 0 | 100 | 0 | 3,996 | 4,999 |
| Canada | NA | NA | NA | NA | 5 | 0 | 0 | 0 |
| Estonia | 137 | 245 | 70 | 0 | 0 | 0 | 0 | 0 |
| EU-15 | 3 | 923 | 999 | 50 | 171 | 626 | 724 | 761 |
| Hungary | 35 | 41 | 286 | 258 | 977 | 1,028 | 407 | 458 |
| Poland | 38 | 0 | 0 | 0 | 0 | 56 | 143 | 0 |
| Russia | 0 | 0 | 24 | 0 | 0 | 0 | 0 | 0 |
| Turkey | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| United States | 6,017 | 53 | 2 | 59 | 167 | 23 | 22 | 0 |
| Others | 15 | 7 | 10 | 21 | 0 | 44 | 0 | 0 |
| Total | 6,458 | 1,288 | 1,411 | 389 | 1,419 | 1,777 | 5,292 | 6,218 |
| US market share | 93% | 4% | 0% | 15% | 12% | 1% | 0% | 0% |

Chicken Parts

| Origin | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (YTD) |
|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Belarus | 0 | 0 | 0 | 0 | 20 | 0 | 0 | 0 |
| Brazil | 0 | 0 | 0 | 0 | 50 | 0 | 27,397 | 35,662 |
| Canada | 0 | 0 | 48 | 50 | 491 | 911 | 2,863 | 2,121 |
| China | 0 | 0 | 0 | 20 | 97 | 0 | 0 | 0 |
| Cyprus | 0 | 0 | 1,106 | 0 | 0 | 0 | 0 | 1,095 |
| Estonia | 303 | 101 | 0 | 0 | 0 | 0 | 0 | 0 |
| EU-15 | 5,969 | 11,755 | 6,376 | 1,875 | 7,334 | 34,044 | 39,419 | 61,027 |
| Hungary | 33 | 3 | 109 | 236 | 730 | 1,352 | 4,999 | 8,198 |
| Latvia | 0 | 0 | 0 | 0 | 0 | 0 | 40 | 0 |
| Poland | 181 | 58 | 85 | 277 | 232 | 2,718 | 2,484 | 719 |
| Russia | 160 | 40 | 0 | 0 | 117 | 37 | 72 | 0 |
| Slovak Republic | 0 | 0 | 0 | 31 | 0 | 0 | 0 | 0 |
| Switzerland | 0 | 0 | 0 | 69 | 0 | 0 | 0 | 0 |
| Turkey | 13 | 30 | 0 | 0 | 0 | 0 | 0 | 0 |
| United States | 41,572 | 36,609 | 77,456 | 21,991 | 52,461 | 19,869 | 4,237 | 62,994 |
| Others | 1 | 0 | 8 | 0 | 0 | 1 | 85 | 1 |
| Total | 48,232 | 48,596 | 85,188 | 24,549 | 61,532 | 58,932 | 81,596 | 171,817 |
| US market share | 86% | 75% | 91% | 90% | 85% | 34% | 5% | 37% |

Further Processed Chicken Products

| Origin | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (YTD) |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Canada | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EU - 15 | 93 | 1 | 3 | 0 | 13 | 3 | 4 | 2 |
| Poland | 2 | 3 | 88 | 104 | 238 | 458 | 565 | 498 |
| Russian Federation | 1 | 0 | 25 | 221 | 561 | 0 | 52 | 89 |
| United States | 2,541 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Others | 80 | 13 | 48 | 7 | 0 | 98 | 96 | 29 |
| Total | 2,717 | 17 | 164 | 332 | 812 | 559 | 717 | 618 |
| US market share | 94% | 1% | 0% | 0% | 0% | 0% | 0% | 0% |
| Grand Total | 57,407 | 49,902 | 86,763 | 25,270 | 63,763 | 61,268 | 87,605 | 178,653 |
| US market share | 87% | 73% | 89% | 87% | 83% | 32% | 5% | 35% |

Source: Ukrainian Import Statistics